

Testimony of Yale University on
HB 6641, An Act Concerning the Use of Credit Scores in Employment Decisions

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Chairman Coleman, Chairman Fox, and Members of the Committee, thank you for the opportunity to comment on HB 6641, which would limit the use of credit reports in employment decisions.

Yale is a large and complex organization that has a number of operations where the use of credit reports in employment decisions is prudent and reasonable. These activities include museums and libraries with valuable collections; health care services that involve the distribution of prescription drugs; and payroll and other financial systems that support payments to Yale employees as well as outside vendors. The use of credit reports for employment decisions in these settings is essential for our prudent stewardship of University assets. It is also required as a condition of insurance policies covering Yale's museum and library collections.

In its present form the bill would prevent the University from using credit reports in employment decisions. We hope the Committee will refine the legislation to balance the interests of current and prospective employees to avoid discrimination based upon their credit history with the interests of employers to maintain operations with appropriate security. We request that the Committee incorporate language that allows credit reports to be considered for employment decisions when the position:

"(A) involves a fiduciary responsibility to the employer, including but not limited to, the authority to issue payments, transfer money or enter into contracts, (B) provides an expense account, or (C) involves access to employer's non-financial assets, including, but not limited, to museum and library collections and to prescription and other pharmaceuticals."

The suggested language would, in our view, protect current and prospective employees while allow appropriate stewardship of valuable institutional resources.

Thank you for your interest in Yale's views on HB 6641.